

December 19, 2022

FAR Class Deviation Regarding the Threshold for Small Disadvantaged Business

Purpose: This memorandum approves a class deviation from the Federal Acquisition Regulation (FAR) to implement the threshold increase at 13 CFR 124.104(c)(2).

Authority: This class deviation is issued under the authority of FAR 1.404 and through consultation with the Chair of the Civilian Agency Acquisition Council (CAAC) via the [CAAC Letter 2023-02](#).

Background: This class deviation implements the Small Business Administration's (SBA) interim final rule published on November 17, 2022 at [87 FR 69118](#), effective December 19, 2022, which increased the net worth threshold from \$750,000 to \$850,000 for an individual to be eligible as an economically disadvantaged small business concern.

Action: Effective December 19, 2022, contracting Officers shall use \$850,000 in lieu of \$750,000 for the net worth threshold in the small disadvantaged business concern definition at the following:

- 2.101(b), Definitions;
- 52.212-3 (a), Offeror Representations and Certifications – Commercial Products and Commercial Services;
- 52.219-1(a), Small Business Program Representations; and
- 52.219-8(a), Utilization of Small Business Concerns.

Effective Date: This deviation is effective immediately and remains in effect until it is incorporated into the FAR or is otherwise rescinded.

Point of Contact: Questions regarding this deviation may be directed to Procurement.Policy@usda.gov